

**IN THE HIGH COURT OF DELHI AT NEW DELHI
23.
ITA 1310/2006
COMMISSIONER OF INCOME TAX Appellant
Through Ms. P.L.Bansal, Advocate.**

versus

**M/S PATLIPUTRA INTERNATIONAL TRADING
LIMITED
..... Respondent
Through Mr. C.S.Aggarwal with Mr. Prakash Kumar,
Advocates.**

CORAM:

HON'BLE MR. JUSTICE MADAN B. LOKUR

HON'BLE DR. JUSTICE S. MURALIDHAR,

O R D E R

31.10.2007

**The Revenue is aggrieved by an order dated 17th March, 2006 passed by
the**

**Income Tax Appellate Tribunal, Delhi Bench ?B? in a batch of appeals. We
are**

**concerned with 10 appeals which have been mentioned in para 19 of the
order**

under challenge.

It has been noted by the Tribunal that warrants of authorisation issued

**by the Revenue under Section 132 of the Income Tax Act, 1961 ('the Act')
were**

**not produced before the Tribunal in spite of many opportunities having
been**

ITA 1310/2006

page 1/4

**given and in spite of a personal assurance having been given by the
learned**

departmental representative that the record would be produced.

In view of the failure of the Revenue to produce the warrants of

authorisation, the Tribunal drew an adverse inference against the Revenue that

the warrants were never issued. Consequently the block assessment proceedings were set aside.

Along with the grounds of appeal before us, the Revenue has filed the warrants of authorisation.

Learned counsel for the Assessee submits that as many as 19 opportunities

were granted to the Revenue to produce the warrants of authorisation by the

Tribunal, over a period of seven or eight years. He submits that under these

circumstances the Revenue should not be granted indulgence and permitted to take

advantage of the situation and extreme harassment has been caused to the

Assessee apart from wastage of their time and resources in engaging advocates

etc.

Given these facts we frame the following substantial question of law for ITA 1310/2006

page 2/4

consideration:

?Whether in view of the subsequent production of the warrants of authorisation

issued under Section 132 of the Income Tax Act, 1961, the Tribunal ought not to

be directed to reconsider the appeal filed by the Assessee afresh??

We answer the question in the affirmative, that is, in favour of the Revenue and against the Assessee keeping in view the facts that we have mentioned above.

However taking into consideration the manner in which the Revenue has conducted these proceedings before the Tribunal and the expenses incurred and

harassment caused to the Assessee, we allow the appeal filed by the Revenue

with costs of Rs.10,000/- each. The amount be deposited in the Registry of this

Court in favour of the Registrar General by cheque within four weeks from today.

List for compliance on 13th December, 2007.

It is made clear that in case the amount is not deposited within the time prescribed, the Revenue will be liable to pay further costs. The next date of

ITA 1310/2006

page 3/4

hearing before the Tribunal will be fixed after the deposit is made by the Revenue in this Court.

MADAN B. LOKUR, J

S. MURALIDHAR, J

OCTOBER 31, 2007

dn